

VILLAGE OFBISCA KEY

Office of the Village Manager

MEMORANDUM

Village Council

Mayra P. Lindsay, Mayor

Franklin H. Caplan, Vice May DATE: Luis F. de la Cruz

April 18, 2017

Gary R. Gross

Allison McCormick

TO:

Honorable Mayor and Members of the Village Council

Brett G. Moss

Katie Petros

FROM:

John C. Gilbert, Village Manager

Village Manager John C. Gilbert

RE:

Village of Key Biscayne Bike Share Program

RECOMMENDATION

It is recommended that the Village Council review the attached three (3) bike share program proposals and authorize the Village Manager to negotiate an agreement with Lime Bike in order to return before the Village Council for formal contract approval.

BACKGROUND

The administration has researched several different bike share programs and selected three (3) proposals that could best address the needs of the community. A working group of four (4) residents was created by the administration to review the proposals. The working group included Theodore Holloway, Ivette Fernandez-Chaustre, Derek Duzolglou and Clifford Brody. This group has reviewed all of the proposals and recommend Lime Bike as the preferred vendor at no cost to the Village.

The proposals are provided as follows:

- 1. Exhibit A Citi Bike
- 2. Exhibit B Lime Bike
- 3. Exhibit C Zagster

Exhibit A







Prepared for: Key Biscayne

CYCLOSHARE designs, customizes, deploys, trains and manages bike share systems. CYCLOSHARE is a Miamibased company specializing in design, development, manufacture and operation of public bicycle sharing programs and systems. Since 2008, the founders of CYCLOSHARE are pioneers of large-scale bike share systems in North America and are leading the way for municipalities and other entities seeking a sustainable form of alternative public transportation. We have developed a range of bike sharing programs and continue to bring new systems into action.

Our staff is dedicated to creating the most efficient system according to your needs. Our process is to study your location, market, and needs in order to design a system to meet your requirements. Our belief is that a city full of healthy, fit and green-thinking citizens is a happier city. We have seen how traffic has diminished, and people are happier when they have the option of riding a bike to get to their destination. We are committed to being a part of this worldwide trend that is making our planet a more livable place by reducing the use of fossil fuels and depending more on greener ways of mobility while providing an amenity for small to large communities.

CycloShare is the equipment provider for the current Citibike programs in Miami, Miami Beach, Surfside, Bay Harbor Island & Coconut Grove.

CYCLOSHARE can facilitate all bicycle sharing program needs:

- Large-scale Bike-Share Program Operations Management Funding Strategies
- Manufacture, Assembly and Maintenance of Bicycles
- Bike-Share Marketing Programs
- Community outreach

- Permitting & System Installation
- Bike-Share Station and Kiosk Development & Manufacturing
- Maintenance, Redistribution and Installation/Redeployment

Bike-Share Cost Projection

Number of Stations: 3 Number of Bikes: 30

Option 1 Equipment Purchase

Item	Description		Amount
Equipment Cost	Complete Integrated Bike-Share-System		\$ 96,000.00
Installation Cost	Station Installation		\$ Included
Infrastructure Cost	Concrete Pads etc TBD		TBD
		Total	996 000 00

Option 2 Equipment Lease

Item	Description	Cost
Inception	Equipment Inception (down payment)	\$14,915.39
Lease Payment	Station & Bike Monthly lease	\$4,143.16
Installation	Station Installation & Set-up	\$3,000.00
Software	Software Licensing (included)	0
*2 year minimum lease		- Landerston



Maintenance & Service Agreement

30 Bike Fleet

Customer Service:

- Schedule: 7 days a week 9am to 10pm
 - o Answer customer service phone calls.
 - Assist members or casual users with any concerns or issues.

Station Tech:

- Schedule: 7 days a week.
 - Maintain stations working properly.
 - Fix any station issues.
 - *Repair or replace any station components.

Bike Rebalance:

- Schedule: 7 days a week 13 hours a day.
 - o Maintain bikes properly balanced on all stations.
 - Report any malfunction or broken bikes.
 - o Assist any rider with field support. Ex: flat tire, mechanical failure etc....

Field Mechanic:

- Schedule: 7 days a week.
 - o Fix Minor repairs on the field.
 - Put air on tires.
 - o Bring in bikes to service center for repair.
 - Maintain fleet in good working order.

Service Center Bike Service Dept.:

- Schedule: 5 days a week.
 - o Service bikes a minimum of once every 30 days.
 - o Inspect bike (32 point inspection).
 - *Replace and fix any damaged parts.

Service Center Bike Maintenance Dept.:

- Schedule: 5 days a week.
 - o Service bikes a minimum of once every 30 days.
 - o Inspect bike (32 point inspection).
 - Wash and lube bike components.
 - Change any decals that are worn out.

Maintenance & Service Agreement	Cost	
	Monthly Fee	TBD
	Monthly Total	TBD

^{*}Does not include vandalism or theft.

^{**} All Parts have 2 year warranty





Why We're Building LimeBike

We're Starting A Movement By Bringing A Smart, Affordable, and Green Transportation Solution To Cities and Colleges Nationwide.

- Easier, more affordable & healthier
- Lessen traffic congestion & pollution
- Foster livelier campuses and neighborhoods
- Empower a more sustainable America





What sets LimeBike apart:

- Collaborative approach with cities to complement mobility objectives
- No government funding required to operate and expand service
- Local company conceived of and headquartered in the Bay Area with proven sustainable business model
- Strong financial backing gives ability to deploy bikes with effective on-the-ground operations teams
- Advanced technology with 3G, GPS, smart-locking top-grade bikes

Today: Bike Sharing 1.0



Expensive: costs millions of dollars in capital costs to purchase and maintain bikes, making rides overly expensive for users

Inconvenient: docking stations don't get riders to their final destinations or adjust to organic needs, limiting ridership

Poor coverage: high costs to buy and maintain bikes means there aren't enough to effectively serve the public or be universally available

But with Smart Bikes and Reduced Deployment Costs, The Future of Bike Sharing Is About To Begin.



The Future: On-demand, Affordable Transportation For All

Bike sharing 2.0: a dockless, smart bike system that is <u>completely</u> free to cities and will dramatically increase ridership and expand mobility

Proven Model

Priced for daily use

Zero maintenance

Product experience

Operational excellence

Sustainable model requires no city or corporate support At \$1 per ride (or plans), biking can be universally affordable

Engineered to be maintenance-free and we cover any costs

Allows us to deploy industry-leading bikes

Operations team will work with city officials for a successful program



LimeBike's Value Proposition

Absolutely Zero-Cost to City

We cover the cost of bikes, maintenance, operation, and education.

\$0.00

Universally Affordable

\$1 per 30 minutes, pay as you go.



Dockless Incentivized Parking

Free-Floating, GPS-based bike network allowing point A to point B rides. Pay and unlock by phone.



Flexible & Scalable Fleet

We can put bikes anywhere, assist with balance them to ensure coverage.





The LimeBike Smart Bike

Safe, Friendly, Reliable & Smart

Our commercial grade bikes are safe, easy to use, and comfortable for all.

Safety-Tested:

Wider tires, drum brakes, bright color, lights, frame tested with 880 lbs of load

Smart IoT Technology:

3G/GPS enabled, Mobile-App Synced Smart Lock, Solar Panel for battery supply

Maintenance-Free:

Engineered bikes with durable parts to withstand the elements and frequent use

Friendly To Ride:

Easy to pedal, adjustable seat, friendly bike frame, cup holder, cell phone mount, and basket

A Fleet of World-Class Bikes

LimeBikes are manufactured by our partner FSD, whose bikes make up over ¼ of total sales in the United States



Wheel Assembling Line



Bike Body Mold



Rigorous Testing (880 lbs. pressure)

All bikes undergo rigorous testing and meet the highest industry standards

FSD designs & manufactures premium bikes for world's top brands



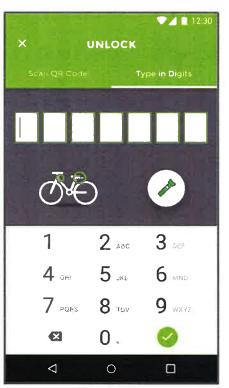
Seamless Mobile App Experience

Locate, Unlock, And Ride In Seconds

Find Available Bikes

Unlock by Scanning QR Code Or Input Digits





End of the trip...

Guide Users To The Nearest Parking Spot



Affordable Pricing

Plans to make biking a daily habit and increase ridership

Pay-as-you-go

Prime Membership & Package

Standard	Students	Standard	Students	Low-Income
\$1/30 mins	\$.50 / 30 mins	TBD (will work with you)	TBD	TBD

Prepayment Plans: 10% off at \$19.99 or 20% off at \$49.99

One Solution for all Citizens of Key Biscayne

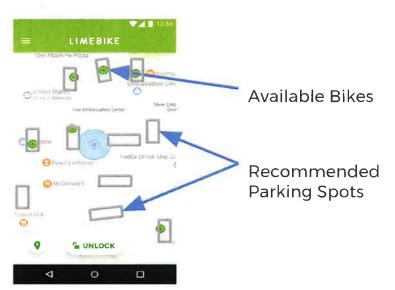


"Smart Parking" & Operational Excellence

Map-Based Parking

Smart Parking with Rewards

- In-app instructions on how & where to park
- Geo-fence existing legal parking area in app
- Reward people for parking properly
- Partner with cities to develop bike-friendly zones

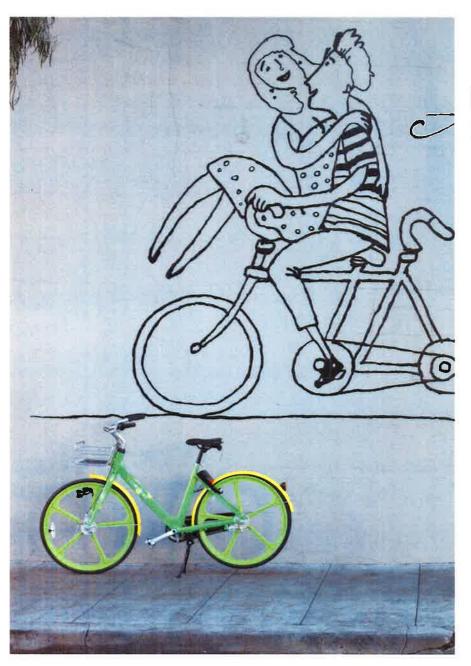


Resolving Theft & Complaints

Fast Responsive Operations

- 30 minutes or less to deploy ops team to move illegally parked bikes or resolve reported issues
- 24/7 Customer service: in-app photo upload report and email reporting
- GPS tracking for theft and alarm if moved while locked
- Ensure <u>all</u> unused bikes are rebalanced into the fleet





How does LimeBike help cities lead the mobility revolution:

- Integrate bike sharing with city mobility priorities (like Caltrain) and partner with city departments
- Share our data from usage to enhance mobility planning
- Work with cities to ensure effective parking solutions, including bike racks and painted parking boxes
- Phased-in integration and the ability to deploy future phases at no-cost
- Public education to ensure adoption

LimeBike Absolutely Free & Risk-free to Cities

	LimeBike	Motivate	Sobi
Public subsidy	No	Yes	Yes
# of Bikes	- Cities can request hundreds or even 1,000s of bikes - Multi-stage roll out (can supplement as needed)	700 bikes in Bay Area	A few hundred
Minimum price for customers	\$1 / 30 mins (custom discount and prepay plans available)	\$7-\$12 (Day pass); 30 min. limit per ride	\$5 / hour
Pick up / Parking	Anywhere w/ legal parking space, bike rack, or equivalent	Dock	"Dock-less" but ask users to return bikes to dock
Penalty	None	\$2.5 for extra 30 mins, \$6.5 for the next 30 mins	\$3 if not returned to dock/hub
Bike upgrades	Every 2-3 years, free of charge	5 years or more	N/A
Regional connectivity	Yes (Users can ride LimeBikes across cities)	No	No (\$100 penalty if out of city limit)
Maintenance	Free	Require follow on public subsidy	Require recurring public subsidy (\$80-100/Bike/Month)
Operations	LimeBike covers it	N/A	N/A

About LimeBike

Experienced Local Team

- US-based and headquartered in Silicon Valley
- Built to partner with cities and universities
- Leadership team from top universities











Experienced team in tech, local and federal government















Financial Stability

- Backed by a Tier-1 Silicon Valley VC Firm. Andreessen Horowitz
- Tens of Millions in Series A financing gives us the unique ability to deploy bikes at a sustainable pace and for on the ground operations teams to ensure successful programs
- Confidence we have the financial resources to deliver

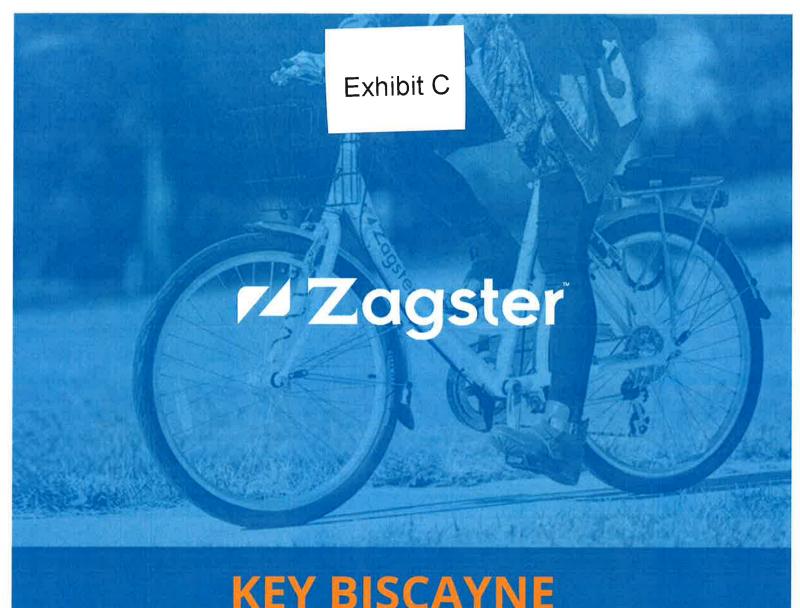
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We'd love the opportunity to continue the conversation.





KEY BISCAYNE BIKE SHARE

BIKE SHARE FOR KEY BISCAYNE

Today's smartest communities include bike sharing as a critical part of their multimodal transportation strategy and as a visible representation of their commitment to sustainability, economic vitality, public health and innovation.

Zagster is the leader in bike sharing innovation in cities and communities across the United States. Working with mayors, city councils, metropolitan councils of governments and community improvement districts - Zagster has a track record of delivering scalable, cost effective and connected bike sharing programs in cities such as Albuquerque NM, Carmel IN, and Lakeland FL. In total, Zagster operates more than 140 bike share programs across 35 states.

The company uniquely delivers a full service: bike sharing hardware, technology, operations and analytics which work together seamlessly through mobile applications and connected cloud services. The sharing technology and biking hardware is continuously improved by the company and delivered to every program at no additional cost.

Also, because of our unique "bike share as a service" model, Zagster is able to deliver scalable, successful programs to communities like Key Biscayne with transparent operations, predictable costs and a guaranteed level of service. No other company in the bike share industry offers this model!

Zagster offers bike share to communities to foster connectivity, reduce parking congestion, boost health and wellness, economic development, and get people out on the trails! Based on our assessment of the community, we believe a bike sharing program with 30 bikes across 6 station is the optimum size for a system launch--and it can easily be funded by local business partners.

We look forward to gaining the perspective of the community and dig in on any questions you may have!

WHY BIKE SHARE?

Bike sharing has emerged as one of the most successful public transportation movements in North American Cities.

Many cities implement bike sharing programs in order to reduce driving trips, improve access to transit, enable healthy lifestyles, stimulate local economic activity and promote sustainability.

With distributed bike sharing programs, bikes are made available throughout the city for on-demand, local trips.

Zagster's comfortable cruiser bicycles are designed for transportation—to get to and from work, run errands, for leisure and exploring the city.











PROVEN EXPERIENCE

Zagster has been designing, consulting, building and operating bike sharing systems for cities, corporations, universities and properties in the United States since 2007. Our staff comes from a wide variety of backgrounds in technology and transportation.

Customers include General Motors, Samsung, Workday, Albuquerque NM, Carmel IN, Lakeland FL, Fort Collins CO, Yale, Princeton, Duke University, Purdue, The Ohio State University, JLL, The Irvine Company and Related Properties.

NATIONAL REACH





THE IDEAL BIKE SHARE PROGRAM



- **CRADLE TO GRAVE:** A turnkey service that requires no involvement to manage and operate from your community
- **CONVENIENT:** Bikes are easy to locate and there is a natural flow between locations across the community
- OPERATIONALLY SOUND: Bikes are regularly serviced and maintained; questions around insurance, liability and waiver agreements need to be answered



KEY HARDWARE INFORMATION

CRUISER BIKE



THE SHARED BIKE RIDERS LOVE

- Unanimously voted the most comfortable bike share bike by The Ohio State University
- 30% lighter than competitive bike share bikes
- Custom built with heavy-duty, easily sourced components
- Most capable bike over varried terrain in the bike share industry--our 8-speed drivetrain is built for climbing mountains!

LOCKING TECHNOLOGY

Riders can unlock, ride and return any bike with any data or text message capable mobile phone. Because all the locking technology is automated and installed on the bike, there's no need for expensive kiosks.



BLUETOOTH RING LOCK

- Bluetooth™ low energy (BLE) smart lock
- Locks/Unlocks at the touch of a button within the app, or by typing a code on the on-bike keypad
- Solid-state design prevents tampering or removal
- Securely mounted to the bike
- Made exclusively for Zagster by AXA

ON-BIKE KEYPAD

- Controls the ring lock
- Allows access for riders using feature phones or smartphones



without BLE compatibility

- Robust and weatherproof
- Enables one-touch locking



EQUITY THROUGH ACCESSIBILITY

Accessible bikes are on the ground at Ohio State University and in Rome, NY; Westminster, CO; Fort Collins, CO; Carmel, IN; College Park, MD.

Accessible bikes enable access for riders who would otherwise be unable to use bike-share systems.







TRICYCLE TANDEM

RECUMBENT TRICYCLE

SIDE BY SIDE







CARGO

HEAVY DUTY

HANDCYCLE



FLEXIBLE, SECURE DOCKING STATIONS

- Individual docks allow for flexible applications and multiple siting options
- Can be anchored or freestanding
- Signage includes instructions and space for sponsorship
- Security cable attached to each dock keeps bikes anchored between trips







Individual docking station

SHARING TECHNOLOGY

Riders can unlock, ride and return any bike with any data or text message capable mobile phone. Because all the locking technology is automated and installed on the bike, there's no need for expensive kiosks.

ZAGSTER MOBILE APP

SIGNUP FLOW

- Intuitive interface makes signup quick and easy
- Location Service optimized
- Map shows bike station locations



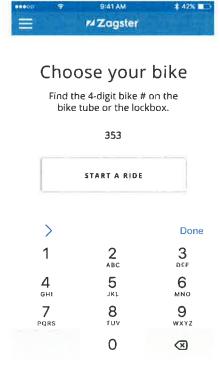


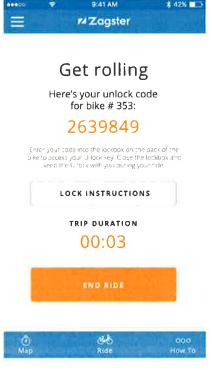


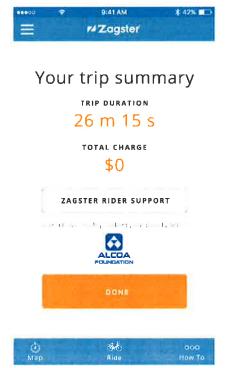


RIDE FLOW

- Dynamic code generation makes bike checkout fast and secure
- Bike routes to local points of interest
- Opportunities for in-app sponsor branding









SERVICE OVERVIEW

Zagster's includes everything needed to run a bike share program. Key Biscayne simply provides space for the docking stations and a designated contact for communicating with Zagster's dedicated customer success team regarding the program's rollout and administration.

Because Zagster is continuously upgrading its bikes and technology, certain features may change over time. However, in general, Zagster's offering spans four categories: hardware, software, marketing and operations.

Hardware	Software	Marketing	Operations
Bikes	iOS and Android Apps	Custom Website	Dedicated launch and success teams
Locking Technology	Text reservation support	Printed & Digital Assets	Complete Maintenance
Docks	Real-time cloud data	Press Relations	Repairs & Replacements
Custom Signage	Administrative reporting	Local Promotion	24x7 Rider Support
			\$4M Liability Coverage

GENERAL LIABILITY COVERAGE

Zagster holds industry-standard insurance coverage that includes:

- \$2,000,000 General Aggregate
- \$2,000,000 Umbrella Coverage
- \$2,000,000 Product Liability
- \$1,000,000 Each Occurrence
- \$1,000,000 Personal/Advertising Injury Limit
- \$1,000,000 Employer's liability coverage

A Certificate of Insurance is available to customers upon request.

STAFFING AND OPERATIONS

COMPLETE MAINTENANCE

All operations and maintenance related to the bike share program is included in the cost of the Zagster service. Zagster services all bikes on a routine basis to make sure that the program is operating effectively and safely.

CORE MAINTENANCE SERVICES

- Local mechanic dedicated to servicing your bike share system.
- Proactive, comprehensive 30-point maintenance checks for every bike, every two weeks
- Bike and station cleaning during maintenance checks



- Immediate remote disablement of bikes flagged for maintenance
- Free replacement parts (including labor)
- Replacement bikes every three years

LOCAL, ZAGSTER CERTIFIED MECHANICS

The Zagster Certified Mechanic (ZCM) program hires local bike maintenance professionals. Applicants are required to have at least two years of professional bike maintenance experience to be considered.

Zagster holds multiple interviews and conducts knowledge tests and background checks on qualified applicants. Zagster provides selected ZCMs with training on its leading internal mobile app maintenance technology.



REPAIRS AND REPLACEMENTS

Zagster performs all repairs and replacements on bikes to keep them in perfect working order as needed.

REBALANCING

On an ongoing basis, Zagster's mechanics use location data generated by our ride tracking technology to reset stations to their optimal bike counts in order to make the bikes available to as many potential riders as possible.

If a more efficient way to position stations is determined over time, Zagster's Customer Success team may make strategic recommendations for moving, reallocating or adding bike parking.

24/7 RIDER SUPPORT

Zagster provides 24x7 rider phone and email support to every rider on every system. This comprehensive customer service program includes:

- 24x7 phone and email support
- Empowered, multilingual staff who are trained to handle 95% of calls without escalation
- A partnership with a third-party translation service
- Automated tools that provide support staff with instant data about the member, including identify and contact information, bike share membership information and trip history
- Elasticity to support unlimited system members

DEDICATED ACCOUNT MANAGEMENT

Zagster provides every bike sharing partner with a dedicated customer success manager. Zagster's customer success team has extensive experience, training and resources to help meet your needs and ensure that your program is successful.



CUSTOMIZATION & MARKETING

BASKETS & STATION SIGNS WITH YOUR LOGO OR BRAND







DIGITAL & PRINT MATERIALS TO PROMOTE THE SYSTEM

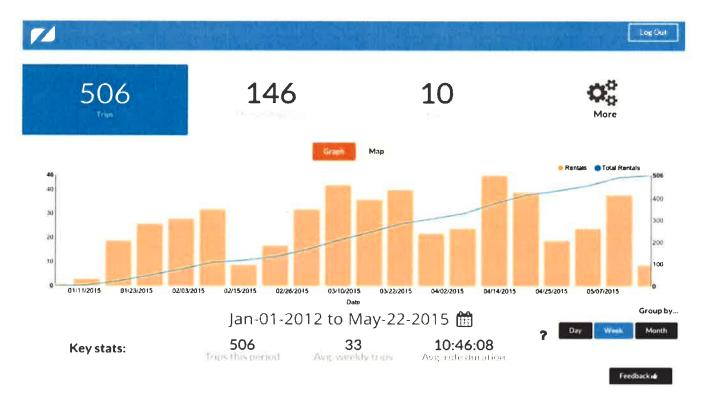








ADMINISTRATIVE DASHBOARDS



Zagster shares its data with customers for usage, planning and safety purposes via a web-based dashboard portal. This data is updated in real time and allows for critical insight into the performance of your program.



FUNDED BY SPONSORS

Zagster proposes a system that is funded in full by local sponsors. Zagster is the only bike share company in the bike share industry to specialize in finding local funding to pay for our bike share programs directly. With a contract held with a local entity (i.e. a City, Chamber, CVB, etc) Zagster can easily work with partners to identify key funding partners.

















Zagster provides the most comprehensive marketing support in the bike share industry. Zagster has collaborated with cities, universities, hotels, real estate developers, and numerous sponsors to grow the reach of our programs.

Sponsorship development is a core strength at Zagster. The Zagster team members throughout their career, have secured multimillion dollar global sponsorships with leading brands including U.S. transit authorities, over 400 universities, 20 municipalities, Google, IKEA, and even Ford Motor Company (\$40MM+ sponsorship with Zipcar). Zagster is the leader in University bike share systems, with over 15 University customers in the United States and growing. Just this past Fall, Zagster launched the country's first and only fully-sponsored public University bike share system, for Purdue University, sponsored by the Alcoa Foundation. In Princeton, NJ, Zagster launched a program that started with 10 bikes at a single University transit center, and recently expanded to 60 bikes in partnership with the University; NRG Energy has launched its own bike sharing station at its Princeton office, several additional large businesses have lined up, and the City expects to expand the program this summer with its own financial contribution.

Zagster is also the undisputed leader in the corporate bike share market, wherein companies find value and fund shared transportation, because it improves employee talent/retention, corporate responsibility, health/wellness, community development, and brand marketing. Zagster has proven its ability to work with private corporations and fundraise for bike sharing. National and global companies include General Motors, Quicken Loans, US Bank, Samsung, and Novartis.

Zagster offers a sponsorship package that includes mentions in the press and social media; logo rights for the program's website; logos emblazoned on each sponsored bike and station; and logos positioned within the



mobile app. Zagster understands that the City places restrictions on advertising in the public right-of-way and is willing to engage with the City's legal department to understand these restrictions and their impact on creating branding options for the program.

As with other city partners, Zagster and Parks and Rec will contact potential sponsors in Gadsden directly and with guidance from the City. A few directions we would look for sponsorships and long term sustainability of the program would be local and regional health care providers, B2C business - banks, beverage companies, grocery stores, restaurants, hotels, and large local employers. Other areas we see investment from is with organizations who's missions align with more of the community on bikes, downtown commerce, health & well-being, and visiting more of the community.



ltem	Cost Per Bike	# Bikes	Subtotal
Bikes Annual expense, cruiser bike with sharing technology	\$1,800.00	30	\$54,000.00
Setup & Installation One time expense	\$0.00	6	\$0.00
Insurance	\$0.00	0	\$0.00

Cost per year \$54,000.00

THIS PRICE INCLUDES:

- Dedicated launch team & success manager
- System planning consultation
- Marketing consultation & material production
- Bike delivery, setup & installation
- Station sign production & station installation
- Ongoing bike maintenance & parts replacement
- Ongoing marketing & account support
- Staffed phone & email support for riders
- Access to analytic dashboards
- Liability coverage for bikes & stations

This price does not include any applicable state taxes, site permits, or capital improvements which may be desired by program sponsors. The costs for taxes, permits and any desired capital improvements may vary by location.



SUGGESTED MEMBERSHIP & COST STRUCTURE

MEMBERSHIP TYPES AND COSTS

Zagster doesn't rely on the unstable business model of funding program operations with rider fare revenue. Instead, we pass any revenue through back to the partner, and instead use those fees to promote effective sharing! Based on our experience operating bike share programs similar to Key Biscayne, we suggest the following membership structure:

Membership Type	Membership Cost
24-Hour Pass	\$6
Monthly Membership	\$10
Annual Membership	\$40
Sponsor Membership	Free

RIDE STRUCTURE AND LIMITS

Regardless of which plan a member chooses, Zagster recommends the following rider structure for all bike usage:

Time	Cost
First 60 minutes of usage	Free
Each additional 60 minutes of usage	\$3
Per Trip / Day Maximum	\$30

These program structures are recommendations and Zagster will work with Key Biscayne to determine the optimal rider pricing structure for the bike share.

RIDER REVENUE RECOVERY

As a service, Zagster collects revenue from all riders and returns 93% to the community (7% is kept to cover credit card and accounting processing fees). This means that with good ridership and a properly priced membership plan, many Zagster partners see financial return that helps to offset the cost of their bike share program on an ongoing basis.

